07-241

No. 07-[redacted]

FILED
NOV 16 2007
OFFICE OF THE CLERK
SUPREME COURT, U.S.

IN THE

# Supreme Court of the United States

HOMAN MCFARLING,
*PETITIONER*

V.

MONSANTO COMPANY
*RESPONDENT.*

**On Petition for a Writ of Certiorari to the United States Court of Appeals for the Federal Circuit**

## BRIEF FOR *AMICUS CURIAE* CENTER FOR FOOD SAFETY IN SUPPORT OF PETITION FOR A WRIT OF CERTIORARI

JOSEPH MENDELSON III
*Counsel of Record*
CENTER FOR FOOD SAFETY &
INT'L CTR. FOR TECHNOLOGY ASSESSMENT
660 Pennsylvania Ave., S.E.
Suite 302
Washington, DC 20003
(202) 547-9359

WILSON-EPES PRINTING CO., INC. – (202) 789-0096 – WASHINGTON, D. C. 20002

## TABLE OF CONTENTS

TABLE OF CONTENTS ..... ii

TABLE OF AUTHORITIES ..... iii

STATEMENT OF INTEREST OF *AMICUS CURIAE* ..... 1

CONSENT TO FILE BRIEF ..... 3

CORPORATE DISCLOSURE ..... 3

SUMMARY OF ARGUMENT ..... 4

ARGUMENT ..... 5

I. **Upholding the Federal Circuit's Claim Construction of the '605 Patent Will Grant Monsanto Disproportionate Rights over Third Parties.** ..... 6

II. **The '605 Patent Should Not Be Interpreted to Extend Its Reach Through the Unclean Hands of Biological Contamination.** ..... 17

III. **Confirming the Broad Scope of '605 Patent Will Allow Monsanto to Unjustly Enrich Itself at the Expense of the American Farmer.** ..... 19

**CONCLUSION** ..... 25

## TABLE OF AUTHORITIES

**Cases**

*Campbell v. AG Finder Iowa Nebraska*, 2004 LEXIS 531 (Iowa Ct. App. Mar. 24, 2004) . . . . . 16

*Florida Prepaid Postsecondary Educ. Expense Bd. v. College Sav. Bank*, 527 U.S. 627, 651-52, n.3 (1999) . . . . . 19

*Geertson Seed Farms v. Johanns*, 2007 WL 518624, at *5 (N.D. Cal. 2007) . . . . . 16

*Int'l Ctr. For Technology Assessment v. Johanns*, 473 F. Supp. 2d 9 (D.D.C. 2007) . . . . . 16

*In Re Genetically Modified Rice Litig.*, No. 4:06-MD-1811 (E.D. Mo. filed May 17, 2007) . . . . . 13

*In Re StarLink Corn Prods. Liab. Litig.*, 212 F. Supp. 2d 828 (N.D. Ill. 2002) . . . . . 13

*Jurgens v. CBK, Ltd.*, 80 F.3d 1566, 1570 n.2 (Fed. Cir. 1996) . . . . . 19

*Monsanto Co. v. McFarling*, 2005 WL 1490051, at *5 (E.D. Mo. 2005) . . . . . 22

*Monsanto Co. v. McFarling*, 488 F.3d 973 (Fed. Cir. 2007) . . . . . passim

*Monsanto v. Scruggs*, 459 F.2d 1328, 1335 (Fed. Cir. 2006) ..... 8, 17, 18

*Schmeiser v. Monsanto Canada, Inc.* [2004] S.C.R. 34 (Can.) ..... 24

*SmithKline Beecham Corp. v. Apotex Corp.*, 365 F.3d 1306 (Fed. Cir. 2004) ..... 17, 18

*Stratemeyer v. Monsanto*, No. 02-CV-505, slip op. at 3-4 (S.D. Ill. March 28, 2005) ..... 20

**Statutes**

28 U.S.C. § 1295 ..... 19

H.B. 1571, 113th General Assembly, 1st Reg. Sess. (Ind. 2003) ..... 21

H.B.1442, 57th Leg. Assembly (N.D. 2001) ..... 21

**Patents**

U.S. Patent No. 5,352,605 (issued Oct. 4, 1994) ..... Passim

U.S. Patent No. 5,633,435 (issued May 27, 1997) ..... 7, 8, 10

U.S. Patent No. 5,922,685 (issued Jul. 13, 1999) . 9

U.S. Patent No. 6,028,246 (issued Feb. 22, 2000). . 13

U.S. Patent No. 6,333,449 (issued Dec. 25, 2001) . 11

**Miscellaneous**

Bennett, *Arkansas Plant Board adopts new regulations to purge GM rice trait*, DELTA FARM PRESS, Dec. 29, 2006 . . . . . 12

Bennett, *Ban on CL 131 not easy decision*, DELTA FARM PRESS, March 6, 2007. . . . . 12

Center for Food Safety, *Monsanto vs. U.S. Farmers*, Jan. 2005 . . . . . 2, 21, 24

Jacobs, *Banished biotech corn not gone yet: traces raise health, other key issues*, SAN JOSE MERCURY NEWS, Dec. 1, 2003. . . . . 15

Kaufman, *Biotech Critics Cite Unapproved Corn in Taco Shells*, WASHINGTON POST, Sept. 18, 2000, at A2. . . . . 14

Mellon & Rissler, *Gone to Seed: Transgenic Contaminants in the Traditional Seed Supply*, 2004, at 1 . . . . . 15

Monsanto, *Seed Piracy: [State/Region] Local Update*, Jun. 2006 . . . . . 22

Shadid, *Testing Shows Unapproved, Altered Corn More Prevalent Than Thought*, BOSTON GLOBE, May 17, 2001, at A2. . . . . 14

U.S. Dep't Agric., Econ. Research Serv., *StarLink: Impacts on the U.S. Corn Market and World Trade Feed Yearbook*, Apr. 2001. . . . . 13

U.S. Dep't Agric., *Report of LibertyLink Rice Incidents*, Oct. 2007, at 1 . . . . . 11, 12

U.S. Dep't Agric., *Update for Rice Industry Regarding Clearfield 131 Long-Grain Rice Seed*, Mar. 9, 2007 . . . . . 12

U.S. Dep't Agric., *USDA Purchases Cry9C Affected Corn Seed From Seed Companies*, Jun. 15, 2001 . . 14

*US states, Aventis into agreement regarding StarLink*, REUTERS, Jul. 25, 2001. . . . . 14

Weiss, *Gene-Altered Profit-Killer*, WASH. POST, Sept. 21, 2006, at D1. . . . . 13

## STATEMENT OF INTEREST OF *AMICUS CURIAE*

The Center for Food Safety (CFS) is located at 660 Pennsylvania Ave., S.E., Suite 302, Washington, DC 20003, and 2601 Mission St., Suite 803, San Francisco, CA 94110. CFS is a tax-exempt, non-profit, membership organization incorporated in the District of Columbia.[1] Founded in 1997, the activities of CFS address the environmental, economic, ethical, human health, and social impacts associated with the development and commercialization of agricultural and food processing technologies.

The economic and social impacts associated with the expansion of intellectual property rights over sexually reproducing plants has been an area of particular focus for CFS. In January 2005, CFS released an extensive analysis of Monsanto's abuse of U.S. patent law to control the usage of staple crop seeds by farmers. CFS launched its investigation to determine the extent to which American farmers have been impacted by litigation arising from the use of patented genetically engineered crops. The report, entitled *Monsanto vs. U.S. Farmers,* details the results of this research, discusses the ramifications for the future of farming in the U.S., and outlines policy options for ending the persecution of America's

---

[1] Pursuant to Supreme Court Rule 37.6, *amicus* states that no person other than *amicus* and its counsel authored this brief or made a monetary contribution to the preparation or submission of this brief.

farmers.[2] This seminal work has made CFS a leading public interest organization providing technical assistance to attorneys, legislators, farmers, and farm organizations defending against abusive patent infringement suits brought by genetically engineered seed producers such as Monsanto.

The case seeking certiorari presents critical issues of law that, if left to stand, will unjustly allow Respondents to further their control and reach over farmers throughout the country. Accordingly, CFS seeks to assist the Court in deciding questions relating to CFS' expertise in agricultural, environmental, and intellectual property issues.

---

[2] Center for Food Safety, *Monsanto vs. U.S. Farmers*, Jan. 2005, *available at* http://www.centerforfoodsafety.org/Monsantovsusfarmersreport.cfm (last visited Nov. 20, 2007).

## CONSENT TO FILE BRIEF

Per Supreme Court Rule 37(2)(a), *amicus curiae* have authority to file this brief through the consent of all parties. Letters indicating that counsel consent to this filing have been filed with the Clerk of the Court and accompany submission of the brief.

## CORPORATE DISCLOSURE

*Amicus curiae* CFS is a non-profit corporation. CFS has no parent corporation, and no publicly held company has a ten percent (10%) or greater ownership interest in it.

## SUMMARY OF ARGUMENT

Compelling reasons exist for a grant of certiorari in this case. Absent a grant of certiorari, the Federal Circuit panel's decision in *Monsanto Co. v. McFarling*, 488 F.3d 973 (Fed. Cir. 2007) (*McFarling III*) threatens to alter substantially the way in which farmers throughout the country use sexually reproducing seeds by imposing draconian restrictions on farmers' traditional right of seed saving and by providing seed manufacturers a vast extension of intellectual property rights that will be used to compel numerous and unjust legal settlements.

Implicated in the petition for writ of certiorari pending before the Court is solely the scope of claims under U.S. Patent No. 5,352,605 ('605 patent). The '605 patent does not claim the Roundup Ready trait as indicated by the panel below, but instead claims only a generic biotechnological tool for expression of an unspecified gene to generate an unspecified trait in plant cells. In spite of the extremely limited nature of the '605 patent claims, the *McFarling III* decision represents the second time a Federal Circuit panel erroneously has broadened the patent's claims to include Roundup Ready seeds.

The ramifications of this broadening of the '605 patent's reach are extraordinary. The lower court's failure to distinguish between a gene or cell, on the one hand, and seed or plant on the other, is particularly critical where the seed or the plant is self-reproducing. Because genetic material can be transmitted between

plants via cross-pollination and/or inadvertently mixed with other seed, the determination that the '605 patent claims encompass a seed or plant will extend those patent rights to any and all seeds containing the genetic material claimed by the '605 patent. The claims will apply to farmers regardless of whether those in possession of seed or a plant have intended or have knowledge that the seed or plants they are using contain the '605 patent's genetic material. Should the Court deny certiorari, this precedent will make every farmer who has not licensed and unwittingly plants seeds containing patented genetic material liable for patent infringement.

The Federal Circuit has recognized both the issue of gene flow from genetically engineered crops and the absurdity of allowing the resulting biological contamination to extend the reach of a patent. However, in the *McFarling III* decision the court fails to reconcile the two issues. Rather, the panel's construction of the '605 patent claims in *McFarling III* has the effect of broadening the reach of patents such as the '605 patent dramatically which will unjustly cause biological contamination to become a weapon for patent infringement actions. This intra-circuit incongruity provides a compelling justification to grant certiorari.

During the last five years, *amicus* CFS has analyzed and tracked Monsanto's ruthless investigation and prosecution of thousands of American farmers for seed-saving and the extraction of tens and perhaps hundreds of millions of dollars from

them. Monsanto's seed-saving investigations, compelled settlements, and lawsuits do more than inflict financial ruin on farmers. They engender a poisonous atmosphere of distrust and vengefulness in rural America. This continuing pattern of behavior suggests that no farmer is safe from Respondent's use of the long reach of the patent claims endorsed by the lower court.

Absent placing limits on the scope of the '605 patent by recognizing the ordinary and expected use of seed and the potential for biological contamination inherent in such seed and plants, the Court will condone an extraordinary and unjust expansion of patent control that will be used against the innocent farmer. Accordingly, a grant of certiorari is warranted.

## ARGUMENT

Petitioners' arguments concerning the patent exhaustion doctrine and granting of super-compensatory damages revolve around the claim construction and scope of the '605 patent. If certiorari is not granted, the Federal Circuit panel's ruling will give Monsanto and other seed patent holders' unjustly expanded power to control the seeds that form the bases of American agriculture and the farmers who rely on them. The issues raised by Petitioners, in particular the application of the patent exhaustion doctrine, would recognize the ordinary and expected use of seeds by American farmers and place limitations on the scope and reach of the '605 patent. In determining whether to grant certiorari, the Court

must review the full implications on American agriculture should it allow *McFarling III* to stand.

## I. Upholding the Federal Circuit's Claim Construction of the '605 Patent Will Grant Monsanto Disproportionate Rights over Third Parties.

As this case proceeded, Monsanto withdrew its claims based on a second patent and the Technology Agreement, proceeding only with claims concerning one patent. *McFarling III*, 488 F.3d at 977. Thus, implicated in the petition for writ of certiorari pending before the Court is solely the scope of claims under the '605 patent. Absent a grant of certiorari in this case, the Court will endorse a claim construction of the '605 patent that will pave the way for farmers throughout the United States to be subjected to unjust patent infringement actions.[3] As discussed below, this potentially unjust outcome provides the Court with a compelling reason to grant certiorari. *See* Sup. Ct. R. 10.

In determining the scope of the '605 patent, the Federal Circuit in *McFarling III* stated:

Although the patent does not explicitly

---

[3] The first step in determining whether infringement of the '605 patent has occurred is claim construction to determine "the meaning and scope of the patent claims asserted to be infringed." *Markman v. Westview Instruments, Inc.*, 52 F.3d 967, 976 (Fed. Cir. 1995), *aff'd*, 517 U.S. 370 (1996).

> claim seed containing a Roundup Ready trait, it claims plant cells having that genetic trait, and farmer-grown Roundup Ready soybeans undisputedly contain such cells. Thus . . . Monsanto's 605 patent reads on both purchased and farmer-grown Roundup Ready soybeans.

488 F.3d at 978.

Contrary to this inaccurate conclusion, the '605 patent does not claim, and makes absolutely no reference to, "a Roundup Ready trait" or a plant cell that contains it. Rather, the '605 patent claims only a generic biotechnological tool for expression of an unspecified gene to generate an unspecified trait in plant cells. This method involves linking the unspecified gene to a DNA "promoter" sequence derived from a plant virus to create a chimeric (i.e. hybrid) gene.[4] The promoter is a tool that facilitates expression of the trait encoded by the chimeric gene in plant cells, but does not in itself generate the Roundup Ready or any other trait.[5] As such, this explains why in prosecuting Mr. McFarling Monsanto originally asserted claims under both the '605 patent and U.S. Patent No. 5,633,435 ('435 Patent); the '605 patent claims the tool required for expression in the plant of

---

[4] U.S. Patent No. 5,352,605 (issued Oct. 4, 1994).

[5] Only one claim (claim 11) in the '605 patent claims a specific gene, and that gene (neomycin phosphotransferase II) encodes an enzyme that confers resistance to the antibiotic kanamycin, not the Roundup Ready trait. *Id.*

the Roundup Ready gene/trait claimed by the '435 patent.[6] In other words, the teachings of the '605 patent are necessary, *but not sufficient*, to generate the Roundup Ready trait claimed by the '435 patent. Only together can both patents enable one skilled in the art to generate either plant cells or whole plants that express the Roundup Ready trait. Despite these limitations on the claims of the '605 patent, the *McFarling III* decision represents the second time a Federal Circuit panel erroneously has determined that " the Roundup Ready ® seeds are covered by the '605 patent." *Monsanto v. Scruggs*, 459 F.2d 1328, 1335 (Fed. Cir. 2006) (*Scruggs*).

Thus, if not corrected, the Federal Circuit's opinion in *McFarling III* will establish that the scope of the '605 patent expands well beyond the patent's written claims to include any object in which any of the genetic material claimed in the '605 patent resides. Such a vast and unwarranted expansion of the patent's reach will have enormous ramifications for U.S. agriculture and beyond.[7]

The distinction between a gene or cell, on the one hand, and seed or plant on the other, is

---

[6] U.S. Patent No. 5,633,435 (issued May 27, 1997).

[7] On October 30, 2006, the United States Patent & Trademark Office entered an order granting a Request for Reexamination of U.S. Patent No. 5,325,605 (Patent office Control No. 90/008,253). These administrative proceedings throw into question whether the '605 patent was improperly issued in 1994.

particularly critical where the seed or the plant is self-reproducing. Because genetic material can be transmitted between plants via cross-pollination and the resulting seeds can in turn reproduce themselves, extending the scope of the patent claim to a seed or plant will extend those patent rights to all of the progeny containing the material claimed by the '605 patent. This extension of reach will apply regardless of whether the party possessing the plant has intended or has knowledge that the plants they are using contain the '605 material. The implications of this are vast given that the genetic traits introduced via genetically engineered crops such as Roundup Ready soybeans often end up in crops and fields where there is no notice, intention, or expected use of the patented genetic material. *See* discussion *infra*.

A denial of certiorari allowing the claim construction precedent endorsed in *McFarling III* to stand will also have repercussions well beyond the field of agriculture. For example, in the nascent field of gene therapy patented genetic material is often inserted into the cells of a human body (via a retroviral vector) in an attempt to produce a specific therapeutic agent that will cure a genetic disease.[8] The inserted genetic material seeks to achieve its efficacy by becoming incorporated into the DNA of the human patient. Taken to its logical extension, the Federal

---

[8] *See, e.g.*, U.S. Patent No. 5,922,685 (issued Jul. 13, 1999) (claiming, *inter alia*, a genetic construct that will cause regression of established tumors when used in gene therapy for treating colorectal cancer).

Circuit panel's view of claim construction on the '605 patent would expand a patent claiming genetic material used in gene therapy to encompass the human patient. Further, if the genetic therapy were to seek a permanent change in the patient's DNA (i.e. a germline alteration), the patent's scope would extend further and encompass a claim to any of the patient's children, grandchildren, or other descendants whose body contains the patented genetic material. Such absurd results should not be condoned by the Court.

Regardless of the future applications of the Federal Circuit's decision, numerous recent events in the field of agricultural biotechnology exemplify how, if left to stand, the Federal Circuit's interpretation of the '605 patent will significantly expand Monsanto's control over farmers and derogate the existing rights of third parties.

In *McFarling III*, the court held that "as in the case of the 435 patent, Monsanto's 605 patent reads on both purchased and farmer-grown Roundup Ready soybeans. There is no patent misuse in the license terms for either patent." 488 F.3d at 978. In so stating, the court completely ignores that the "license terms" are no longer at issue in the case. For the purposes of this Court, the farmer-grown Roundup Ready soybeans planted by Mr. McFarling were the progeny of an unlicensed product. Thus, the precedent established in *McFarling III* has the unintended effect of making any farmer who has unwittingly planted seeds containing patented genetic material liable for patent infringement. Yet, patented genetic material has on numerous occasions contaminated farmers'

conventional crops[9] and planting stock through no fault of their own, without their knowledge or consent, and certainly without their having signed any licensing agreement for use of seeds that contain such patented material. This biological contamination of conventional and organic crops with pollen or seed from genetically engineered crops has become a serious problem in North America, fraught with economic and environmental implications. Measures taken to prevent contamination, such as buffer zones, have proven ineffective, as the distances recommended for segregation prove inadequate.

For example, in August 2006 and February 2007, the United States Department of Agriculture (USDA) announced widespread contamination of Southern long-grain rice supplies with two unapproved, experimental varieties of genetically engineered rice produced by Bayer CropScience[10] – LLRICE601 and LLRICE604, respectively.[11] Subsequent investigations revealed that both contaminating varieties had been released into the

---

[9] By "conventional," amicus means seeds that have not been intentionally genetically engineered to contain patent-protected genes.

[10] Liberty Link rice (trade name of glufosinate-tolerant rice) is protected by at least one patent. *See* U.S. Patent No. 6,333,449 (issued Dec. 25, 2001).

[11] U.S. Dep't Agric., *Report of LibertyLink Rice Incidents*, Oct. 2007, at 1, *available at* http://www.aphis.usda.gov/newsroom/content/2007/10/content/printable/RiceReport10-2007.pdf (last visited Nov. 20, 2007).

environment only via USDA-approved field trial plantings from 1998-2001 under conditions that were supposed to prevent contamination of neighboring commercial rice.[12] Extensive testing revealed that LLRICE601 and LLRICE604 had contaminated the breeding stock[13] of two popular conventional varieties of rice, Cheniere and CL 131. In order to avoid a repeat of the debacle in the 2007 growing season, the State of Arkansas banned the planting of Cheniere and CL 131.[14] In March 2007, USDA issued "emergency action notifications" to prevent "the planting and distribution" of CL 131.[15] After a year-long investigation, USDA concluded that it lacked sufficient information to determine precisely how the contamination episodes had occurred.[16] These episodes resulted in widespread rejection of American rice

---

[12] *Id.* at 2.

[13] Breeding stock is used to generate the certified rice seed sold to farmers for planting.

[14] David Bennett, *Arkansas Plant Board adopts new regulations to purge GM rice trait*, DELTA FARM PRESS, Dec. 29, 2006; David Bennett, *Ban on CL 131 not easy decision*, DELTA FARM PRESS, March 6, 2007.

[15] U.S. Dep't Agric., *Update for Rice Industry Regarding Clearfield 131 Long-Grain Rice Seed*, Mar. 9, 2007, *available at* http://www.aphis.usda.gov/newsroom/content/2007/030CL131update3-9-07.shtml (last visited Nov. 19, 2007).

[16] U.S. Dep't Agric., *Report of LibertyLink Rice Incidents*, Oct. 2007, *available at* http://www.aphis.usda.gov/newsroom/content/2007/10/content/printable/RiceReport10-2007.pdf (last visited Nov. 20, 2007).

exports in foreign markets. *See In Re Genetically Modified Rice Litig.*, No. 4:06-MD-1811 (E.D. Mo. filed May 17, 2007). Europe's largest rice importer, Ebo Puleva, stopped importing American long-grain rice. Contaminated rice products were pulled from supermarket shelves in Europe. The resulting sharp drop in rice prices cost American rice farmers an estimated $150 million in lost revenue.[17]

Similarly, in September of 2000, genetically modified StarLink corn was found to have extensively contaminated corn supplies, food products, and corn seed stocks.[18] *See In Re StarLink Corn Prods. Liab. Litig.*, 212 F. Supp. 2d 828 (N.D. Ill. 2002) (refusing to dismiss negligence per se, public nuisance and private nuisance claims against seed manufacturer Aventis for dissemination of genetically engineered corn seed that contaminated the U.S. corn supply). Although StarLink was never planted on more than 0.4% of U.S. corn acreage (362,000 acres in 2000),[19] up to 22% of corn

---

[17] Rick Weiss, *Gene-Altered Profit-Killer*, WASH. POST, Sept. 21, 2006, at D1.

[18] StarLink corn is protected by at least one patent. *See* U.S. Patent No. 6,028,246 (issued Feb. 22, 2000).

[19] U.S. Dep't Agric., Econ. Research Serv., *StarLink: Impacts on the U.S. Corn Market and World Trade Feed Yearbook*, Apr. 2001, *available at* http://www.ers.usda.gov/Briefing/Biotechnology/starlinkarticle.pdf (last visited Nov. 20, 2007).

grain lots tested positive for StarLink in early 2001.[20] StarLink had not been approved for human food use (only for animal feed or industrial uses) because of concerns that the insecticidal protein it contained could cause food allergies if consumed by humans.[21] Over 300 StarLink-contaminated food products were recalled from supermarket shelves.[22] Seventeen state attorneys general took action against Aventis to obtain compensation for losses suffered by farmers in connection with the episode, including farmers whose non-StarLink planting seed had somehow become contaminated with StarLink.[23] A voluntary USDA-sponsored testing program revealed that at least 63 corn seed firms that had never been licensed by Aventis to grow StarLink for sale to farmers as planting stock nevertheless found some of their corn lines contaminated with StarLink.[24] This means that some, albeit low, proportion of non-StarLink seed

---

[20] Anthony Shadid, *Testing Shows Unapproved, Altered Corn More Prevalent Than Thought*, BOSTON GLOBE, May 17, 2001, at A2.

[21] Marc Kaufman, *Biotech Critics Cite Unapproved Corn in Taco Shells*, WASHINGTON POST, Sept. 18, 2000, at A2.

[22] *Id.*

[23] *US states, Aventis into agreement regarding StarLink*, REUTERS, Jul. 25, 2001.

[24] U.S. Dep't Agric., *USDA Purchases Cry9C Affected Corn Seed From Seed Companies*, Jun. 15, 2001, *available at* http://content.fsa.usda.gov/pas/FullStory.asp?StoryID=257 (last visited Nov. 20, 2007). USDA compensated these seed firms from $13-18 million for destruction of their contaminated lines.

purchased by farmers for planting was in fact StarLink seed. This pervasive contamination of corn seed stock explains why StarLink genetic traits continued to show up in the corn supply for at least three years after its cultivation was banned in 2000.[25]

In 2004, the Union of Concerned Scientists published a report documenting the widespread nature of genetic contamination of conventional seed from genetically engineered seeds. The report found that seeds of conventional varieties of corn, soybeans and canola purchased from the same retailers used by U.S. farmers "were pervasively contaminated with low levels of DNA sequences originating in genetically engineered varieties of those crops."[26] The contaminating sequences in soybeans and canola were all from Roundup Ready versions of those crops.

Recently, federal courts have recognized that when genetically engineered Roundup Ready plants are released into the environment their traits will be transferred into crops being grown by farmers who neither purchased nor intended to use or possess the patented genetic material. In discussing the pending

---

[25] Paul Jacobs, *Banished biotech corn not gone yet: traces raise health, other key issues*, SAN JOSE MERCURY NEWS, Dec. 1, 2003.

[26] Margaret Mellon & Jane Rissler, *Gone to Seed: Transgenic Contaminants in the Traditional Seed Supply*, 2004, at 1, available at http://www.ucsusa.org/assets/documents/food_and_environment/seedreport_fullreport.pdf (last visited Nov. 20, 2007).

commercialization of Roundup Ready alfalfa, the court in *Geertson Seed Farms v. Johanns*, 2007 WL 518624, at *5 (N.D. Cal. 2007), recognized that "[o]nce the gene transmission occurs and a farmer's seed crop is contaminated with the Roundup Ready gene, there is no way for the farmer to remove the gene from the crop or control its further spread." Similarly, a federal court has recognized that the gene flow from the field testing of Roundup Ready creeping bentgrass is capable of transferring the genetic trait to resident wild grasses and creating fertile offspring that can further spread the trait in the environment. *See Int'l Ctr. For Technology Assessment v. Johanns*, 473 F. Supp. 2d 9 (D.D.C. 2007).

Increasingly, this biological contamination is causing hardship to American farmers. *See, e.g., Campbell v. AG Finder Iowa Nebraska*, 2004 LEXIS 531 (Iowa Ct. App. Mar. 24, 2004) (describing how the presence of genetically engineered soybeans prevented a farmer from obtaining organic certification). Farmers often unwittingly plant genetically engineered seed comprised of some low but unknown proportion of conventional seed they have purchased. If this genetically engineered seed contains patent-protected genetic material, under the reasoning of *McFarling III*, such planting will constitute unlicensed use of the pertinent company's technology subject to infringement action based solely on the expanded scope of a patent's claim. Such a perverse result should not be sanctioned by the Court.

## II. The '605 Patent Should Not Be Interpreted to Extend Its Reach Through the Unclean Hands of Biological Contamination.

It is neither reasonable nor just for the Court to endorse interpretations of the '605 patent claims that engenders rights well beyond the intended use and value of the '605 patent. The patent was not granted to be used as cudgel against the American farmer. However, the Federal Circuit has not reconciled its broad expansion of the '605 patent's reach in both *McFarling III* and *Scruggs* with the real world implications of gene flow and the resulting biological contamination.

In 2004, one Federal Circuit judge recognized that expanding the scope of patented genetic material to include claims to any plant containing that material posed significant issues which the court had yet to address. *SmithKline Beecham Corp. v. Apotex Corp.*, 365 F.3d 1306 (Fed. Cir. 2004) (Gajarsa, J. concurring). In a concurring opinion, the court prophetically stated:

> This crystalline compound raises a question similar to one that might arise when considering the invention of a fertile plant or a genetically engineered organism, capable of reproduction, released into the wild. Consider, for example, what might happen if the wind blew fertile, genetically modified blue corn protected by a patent, from the field of a single farmer into neighboring

> cornfields. The harvest from those fields would soon contain at least some patented blue corn mixed in with the traditional public domain yellow corn--thereby infringing the patent. The wind would continue to blow, and the patented crops would spread throughout the continent, thereby turning most (if not all) North American corn farmers into unintentional, yet inevitable, infringers. The implication--that the patent owner would be entitled to collect royalties from every farmer whose cornfields contained even a few patented blue stalks--cannot possibly be correct.

*Id.* at 1331.

While separately acknowledging the adverse implications of gene flow from genetically engineered crops and the absurd injustice of allowing biological contamination to extend the reach of a patent, the Federal Circuit has failed to recognize the pernicious consequences of the two issues taken together. The unsupportably broad construction of the '605 patent claims in *McFarling III* (and *Scruggs*) will encourage fundamentally unjust prosecution of American farmers by patent-holding seed firms such as Monsanto. This intra-circuit incongruity provides another compelling reason to grant certiorari.[27]

---

[27] The U.S. Court of Appeals for the Federal Circuit has exclusive jurisdiction over all appeals from federal trial courts

## III. Confirming the Broad Scope of '605 Patent Will Allow Monsanto to Unjustly Enrich Itself at the Expense of the American Farmer.

In broadening the reach of the '605 patent, the Federal Circuit panel has opened the door for Monsanto to take advantage of the strict liability offense of patent infringement. *See Jurgens v. CBK, Ltd.*, 80 F.3d 1566, 1570 n.2 (Fed. Cir. 1996) (stating that patent infringement is a "strict liability offense" in which "a court must award 'damages adequate to compensate the infringement,' regardless of the intent, culpability or motivation of the infringer"). The past behavior of the Respondent suggests that it will use its new found power to unjustly enrich itself to the farthest extent possible.

As one federal court has poignantly described, the tactics used by Respondent against farmers when it seeks recovery for alleged infringement of their intellectual property rights are extreme. The court aptly depicts Monsanto's behavior:

---

in patent infringement cases. *See* 28 U.S.C. § 1295; *Florida Prepaid Postsecondary Educ. Expense Bd. v. College Sav. Bank*, 527 U.S. 627, 651-52, n.3 (1999). Thus, the traditional conflict in decision with another circuit on an important matter that warrants the granting of certiorari in non-patent cases cannot be present in this matter. However, an intra-circuit Federal Circuit disagreement on the breadth of a patent, as shown here, is somewhat akin to a typical split, given the subject matter and the circuit's exclusive jurisdiction.

> In order to protect it patents, Monsanto sent "agents" into the farming community to ensure that farmers were not purchasing Roundup Ready seed, harvesting it, saving seed from the crop and then planting second generation Roundup Ready seed the next season. Under the patents, farmers were obligated to purchase new Roundup Ready seed each year and were prohibited from saving second generation seed. This changed the way farmers had done business as traditionally they saved seed, cleaned it and replanted it the following year. The scorched-earth policies used by Monsanto in enforcing the single-use restriction against farmers in some instances altered the customary neighborly relationships for which farmers are known. Instead of helping each other with barn-raisings and equipment sharing, those caught saving seed, a practice that is hundreds of years old, were turned into "spies" against their neighbors, replacing the atmosphere of cooperation with one of distrust and suspicion.

*Stratemeyer v. Monsanto*, No. 02-CV-505, slip op. at 3-4 (S.D. Ill. March 28, 2005) (footnote omitted). These finding are consistent with the analysis performed by CFS. It is no wonder that several state legislatures have enacted laws designed to curb some of Monsanto's

abusive practices.[28]

Over the last five years, CFS has analyzed and tracked Monsanto's investigation and/or prosecution of thousands of American farmers for seed-saving, extracting tens and perhaps hundreds of millions of dollars from them. CFS' most current analysis has found a total of one hundred twelve (112) lawsuits filed by Monsanto against U.S. farmers, of which eighteen (18) are ongoing.[29] Of the completed cases, fifty-seven (57) have resulted in known damage awards totaling $21,583,431.99. Twenty-four (24) of the cases have resulted in confidential settlements and thirteen (13) others were dismissed without reporting whether a financial settlement was involved. In sum, these lawsuits involve three hundred seventy-two (372) farmers and forty-nine (49) farm businesses, mostly small operations.

---

[28] *See* H.B.1442, 57th Leg. Assembly (N.D. 2001) (preventing patent holders from entering and taking crops from farmer's land without meeting enumerate preconditions); H.B. 1571, 113th General Assembly, 1st Reg. Sess. (Ind. 2003) (requiring patent holder to provide written notice before entering farmer's land, permitting farmer to be present when seed samples are taken, and requiring matching samples be provided to the farmer).

[29] *See Monsanto vs. U.S Farmers*, *supra* note 2, at 31-34. Figures cited here represent CFS' internal update of the data contained in the original 2005 report current as of October 24, 2007. The 2005 report documents Monsanto having filed 90 lawsuits against involving 147 farmers and 39 small businesses or farm companies residing in 25 different states.

Startling though these numbers are, they do not begin to tell the whole story. As the district court noted in an earlier decision during these proceedings, "[t]he vast majority of cases filed by Monsanto against farmers have been settled before any extensive litigation took place." *Monsanto Co. v. McFarling*, 2005 WL 1490051, at *5 (E.D. Mo. 2005). CFS has been able to use materials downloaded from Monsanto's website in 2006 to determine an approximate scope and cost to farmers from these out-of-court settlements. In a series of ten state/regional updates involving nineteen states, Monsanto provided color-coded maps illustrating the number of "seed piracy matters" by county and the "average settlement" for the given state/region.[30] All cases reported involved the company's Roundup Ready soybeans. A collation of these data for all nineteen states indicates that Monsanto has collected between $85,653,601 to $160,594,230 in settlements with farmers in 2,391 to 4,531 seed piracy matters.[31] In all

---

[30] Monsanto, *Seed Piracy: [State/Region] Local Update*, Jun. 2006, *available at* http://www.centerforfoodsafety.org/pubs/Monsanto%20November%202007%20update.pdf (last visited Nov. 18, 2007) (copies on file with Amicus). Publications were provided for the following states/regions: Illinois, Indiana, Iowa, Kentucky, Michigan-Ohio, Minnesota-North Dakota-South Dakota, Missouri-Kansas, Nebraska, North Carolina-South Carolina and Virginia-Maryland-Delaware-New Jersey-Pennsylvania.

[31] *Id.* In each of the *Seed Piracy* updates, each county is color-coded for a range of seed piracy matters (1-3, 4-7, 8-13, 14-23 or 24-36). CFS added together the lower-and upper-bound figures for each county to provide for the minimum and maximum number of seed piracy matters, respectively, for the

ten states/regions, Monsanto reports that the average damages collected for each "unit" (or 50 lb. bag) of seed allegedly saved and replanted by the farmer is "~$100."[32] As the Court should recognize, this "$100 per bag" award average is 150% of the "$40 per bag" awarded in the *McFarling III* decision, and represents a 15-fold multiple of the $6.50-per-bag Technology Fee established royalty. Such figures serve to illustrate the extremely disproportionate leverage Monsanto will have secured to wring settlements out of American farmers should the broad construction the '605 patent claims and the use of an excessive hypothetical royalty be upheld.

Monsanto's seed-saving investigations, compelled settlements, and lawsuits do more than inflict financial ruin on farmers. They engender a poisonous atmosphere of distrust and vengefulness in rural America. Monsanto's widely advertised "snitch line" turns farmer against farmer.[33] *Amicus* CFS has spoken with numerous farmers who were "turned in" to

---

given state or region. Multiplication of the minimum and maximum seed piracy matters by the "average settlement" gives the minimum and maximum settlement amounts for the given state/region. Summation of these figures for all of the nineteen (19) states covered by the updates gives the minimum number of settlements (2,391), the maximum number of settlements (4,531), and the range of settlement amounts.

[32] *Id.*

[33] *Id.* ("Anyone with concerns or questions about see piracy can anonymously call 1-800-768-6387").

Monsanto by a neighbor, often to satisfy a long-standing grudge or to gain advantage in a land dispute. Farmers explain that landlords deny renewal of their leases for agricultural land merely because they are under investigation by Monsanto. Monsanto also employs agents (often retired farmers) to induce farmer suspects to engage in illegal sale or purchase of patented seeds, behavior closely resembling entrapment.

This continuing pattern of behavior suggests that no farmer is safe from Respondent's long reach. Farmers have been sued after their fields were contaminated by pollen or seed from someone else's genetically engineered crop:[34] when genetically engineered seed from a previous year's crop has sprouted, or "volunteered," in fields planted with non-genetically engineered varieties the following year,[35] and when seed dealers sold them Monsanto's seed without having presented them with a Technology Agreement setting out the seed-saving restrictions.[36] The extension of Monsanto's patents claims under the '605 patent to cover any seed or plant in which the genetic material end up will serve to extend this inequitable control over farmers across the country.

---

[34] *See, e.g., Schmeiser v. Monsanto Canada, Inc.* [2004] S.C.R. 34 (Can.).

[35] *See Monsanto vs. U.S. Farmers, supra* note 2, at 40-41.

[36] *Id.* at 42-45.

Should seed-related patents be allowed to serve as the sole basis for infringement, the Court will have embraced legal reasoning that allows seed companies to prosecute farmers for their unwitting use of products which they do not want and may even cause them serious financial harm.

The application of the doctrine of patent exhaustion as advocated by Petitioner in this case will recognize the ordinary and expected use of seed and the biological reality of widespread seed and crop contamination. Absent placing limits on the scope of the '605 patent, the Court will have condoned an extraordinary and unjust expansion of patent power that will be used against the innocent farmer.

## CONCLUSION

Accordingly, there are compelling reasons for granting the petition for certiorari.

Respectfully submitted,

Joseph Mendelson III
*Counsel of Record*
Center for Food Safety &
Int'l Ctr. for Technology Assessment
660 Pennsylvania Ave., SE, Suite 302
Washington, DC 20003
(202) 547-9359

November 26, 2007